

ASK LLP

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.

Case No. 18-23538 (RDD)

Chapter 11

Jointly Administered

NOTICE OF RECLAMATION DEMAND OF THE NES GROUP

The NES Group, by and through its undersigned counsel, hereby gives notice that it served a demand for reclamation of goods (the “Reclamation Demand”) pursuant to section 546(c) of the Bankruptcy Code on November 5, 2018. A copy of the Reclamation Demand (without enclosures/exhibits) is attached as Exhibit A.

Dated: November 5, 2018

ASK LLP

/s/ Edward E. Neiger

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EXHIBIT A



ATTORNEYS AT LAW

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November 5, 2018

Via Overnight Mail and Email

Ray C. Schrock, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

Via Overnight Mail

Robert A. Reicker
Chief Financial Officer
Sears Holdings Corp.
3333 Beverly Road
Hoffman Estates, IL 60179

**Re: Sears Holdings Corp., et al. (collectively, the “Debtors”)
Case No. 18-23538 (RDD)**

Dear Sirs:

We are counsel to The NES Group (“NES”) a supplier of goods to the Debtors. Prior to October 15, 2018, the Debtors received, in the ordinary course of business, certain goods from NES for which NES has not received payment. Accordingly, NES hereby asserts certain claims, rights and remedies with respect to those unpaid goods.

Administrative Claims under Section 503(b)(9) of the Bankruptcy Code

NES hereby asserts an administrative claim pursuant to section 503(b)(9) of the Bankruptcy Code in the amount of not less than \$170,265.60 for all goods delivered by NES to the Debtors on or after September 25, 2018 (the “503(b)(9) Claim”). The details regarding the goods the Debtors received from NES in the 20 days prior to the Debtors’ bankruptcy filings are contained in the charts attached hereto as Schedule I and Schedule II, grouped by Sears and Kmart product lines, respectively.

NES hereby demands payment of all administrative claims set forth herein pursuant to any plan of reorganization confirmed by the Court in these chapter 11 cases and/or pursuant to any procedures approved by the Court in these chapter 11 cases regarding administration or payment of administrative claims.

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Reclamation Claims and Rights

In addition to and without limiting NES' rights under section 503(b)(9) of the Bankruptcy Code, pursuant to all applicable provisions of the Uniform Commercial Code, including without limitation section 2-702, section 546(c) of the Bankruptcy Code, and any applicable common law, NES hereby makes a reclamation demand upon the Debtors for all goods delivered by NES to the Debtors on or after August 31, 2018 that are not subject to the 503(b)(9) Claim (the "Reclamation Goods"). Specifically, the Debtors received no less than \$804,119.42 in Reclamation Goods from NES as set forth in the charts attached hereto as Schedule III and Schedule IV, grouped by Sears and Kmart product lines, respectively.

You are further notified that all goods subject to NES' reclamation rights should be protected and segregated, and are not to be used for any purpose whatsoever except by agreement of the parties or following notice and a hearing by a court of competent jurisdiction. We appreciate your cooperation in this matter. All rights are reserved.

Very truly yours,

/s/ Edward E. Neiger

Edward E. Neiger